



# Virginia Economic Overview

## Virginia Senate Finance Committee

November 21, 2013



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# Overview

## ❖ National Trends

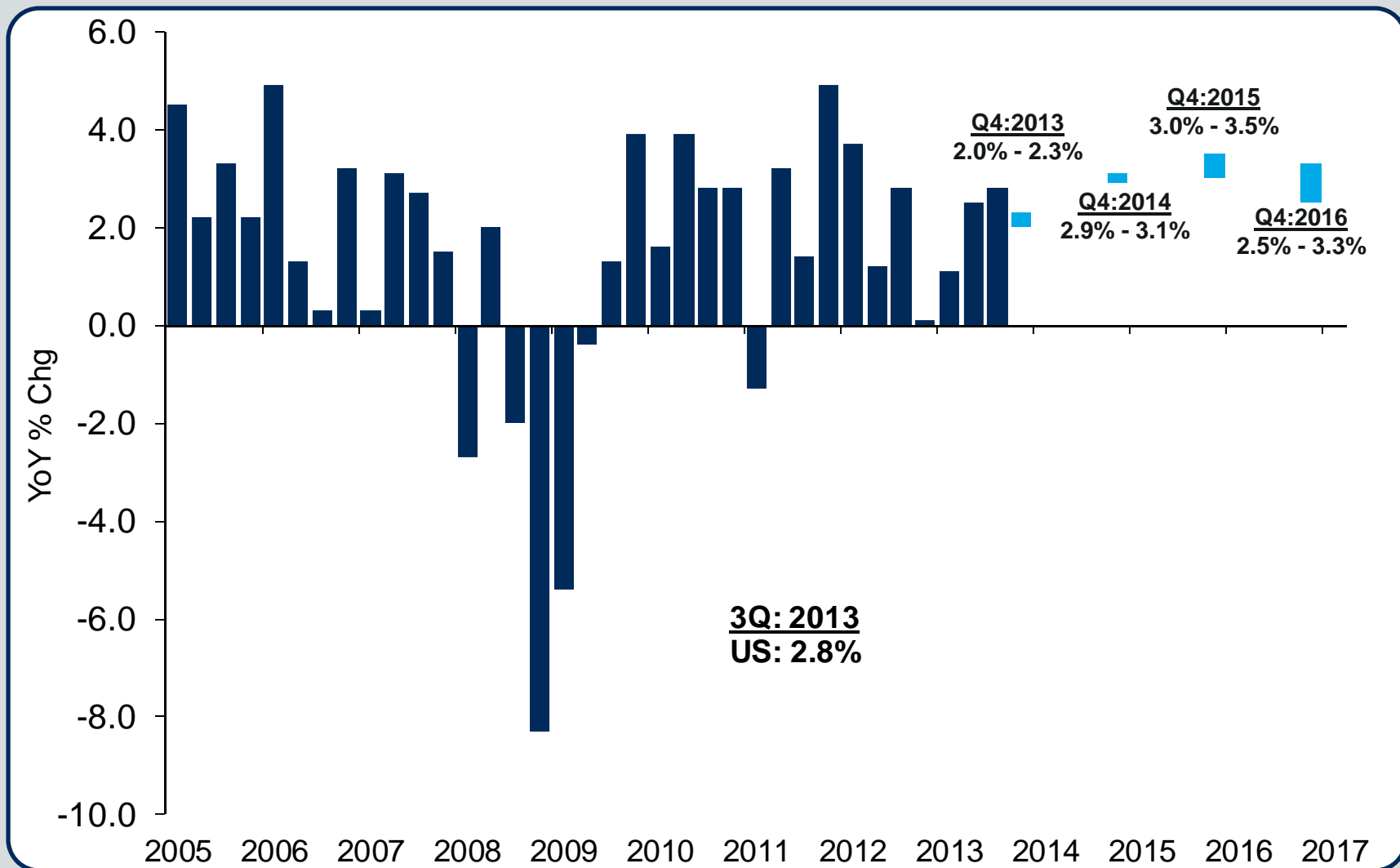
- Recent trends and projections
  - Real GDP
  - Labor Market
  - Inflation

## ❖ Virginia Trends

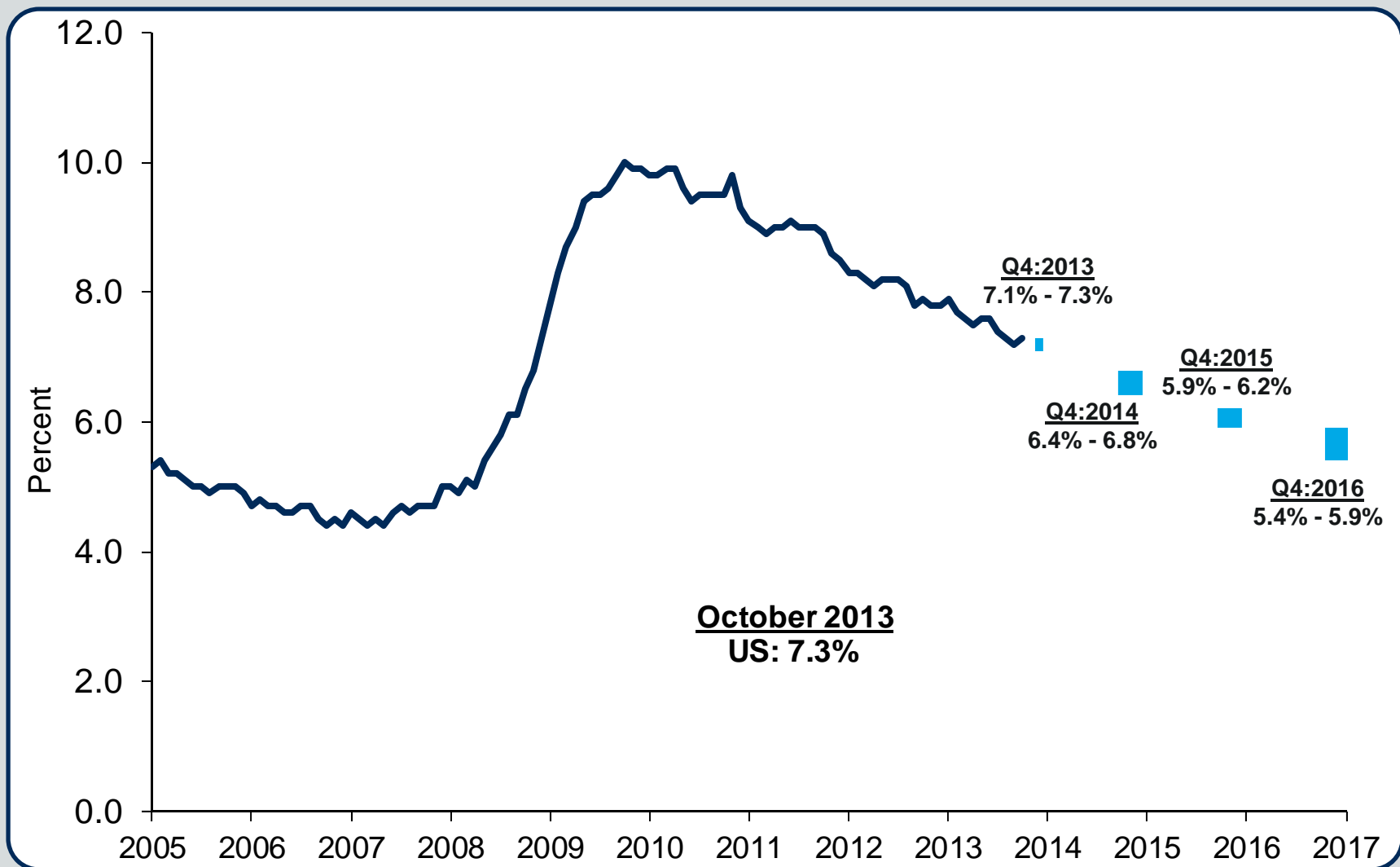
- Labor Market Indicators
  - Employment
  - Unemployment
  - Labor force participation
- Industry Sector Comparison
- Housing Market

# National Economy

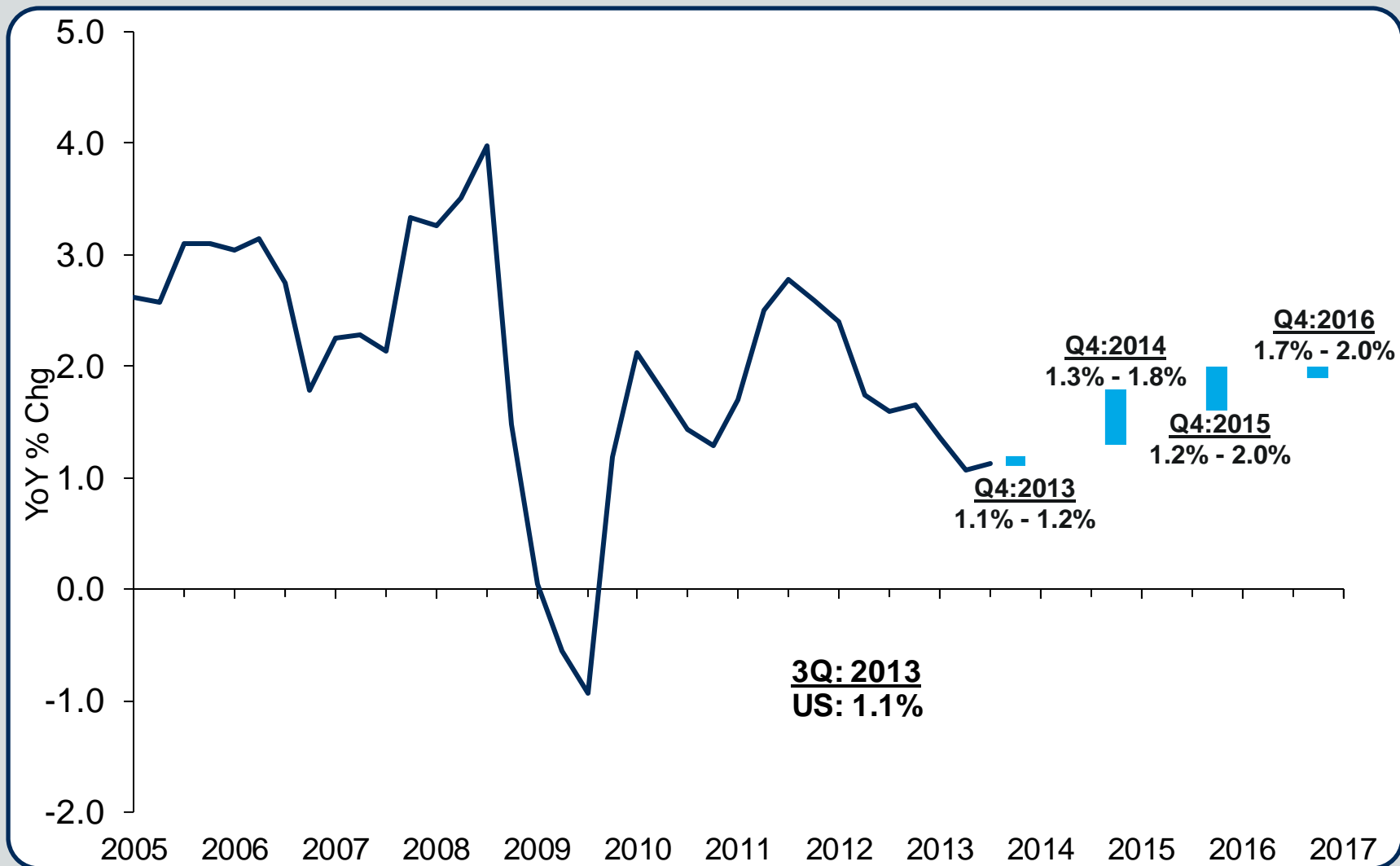
# Real GDP Projections



# Unemployment Rate Projections

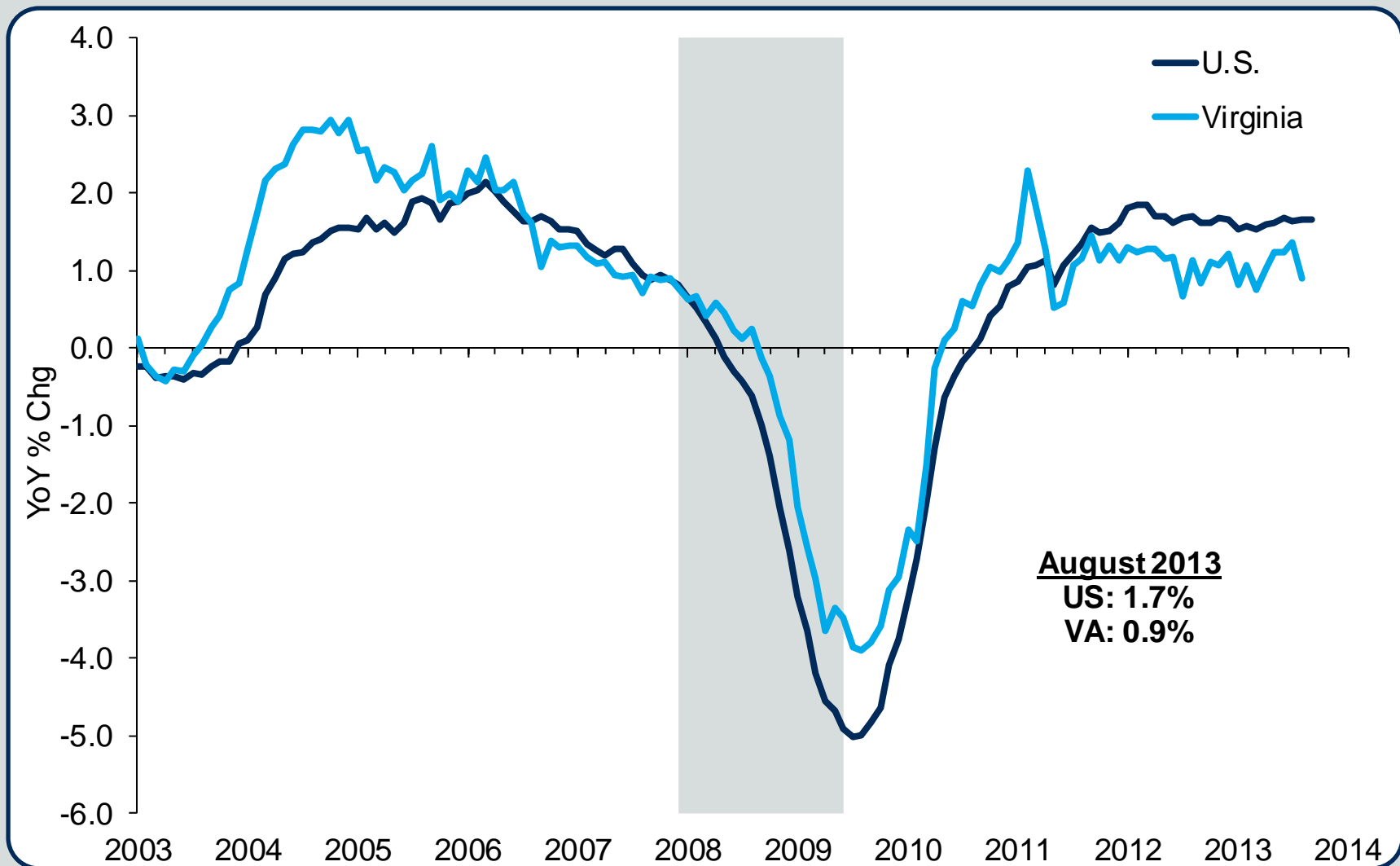


# PCE Inflation Projections



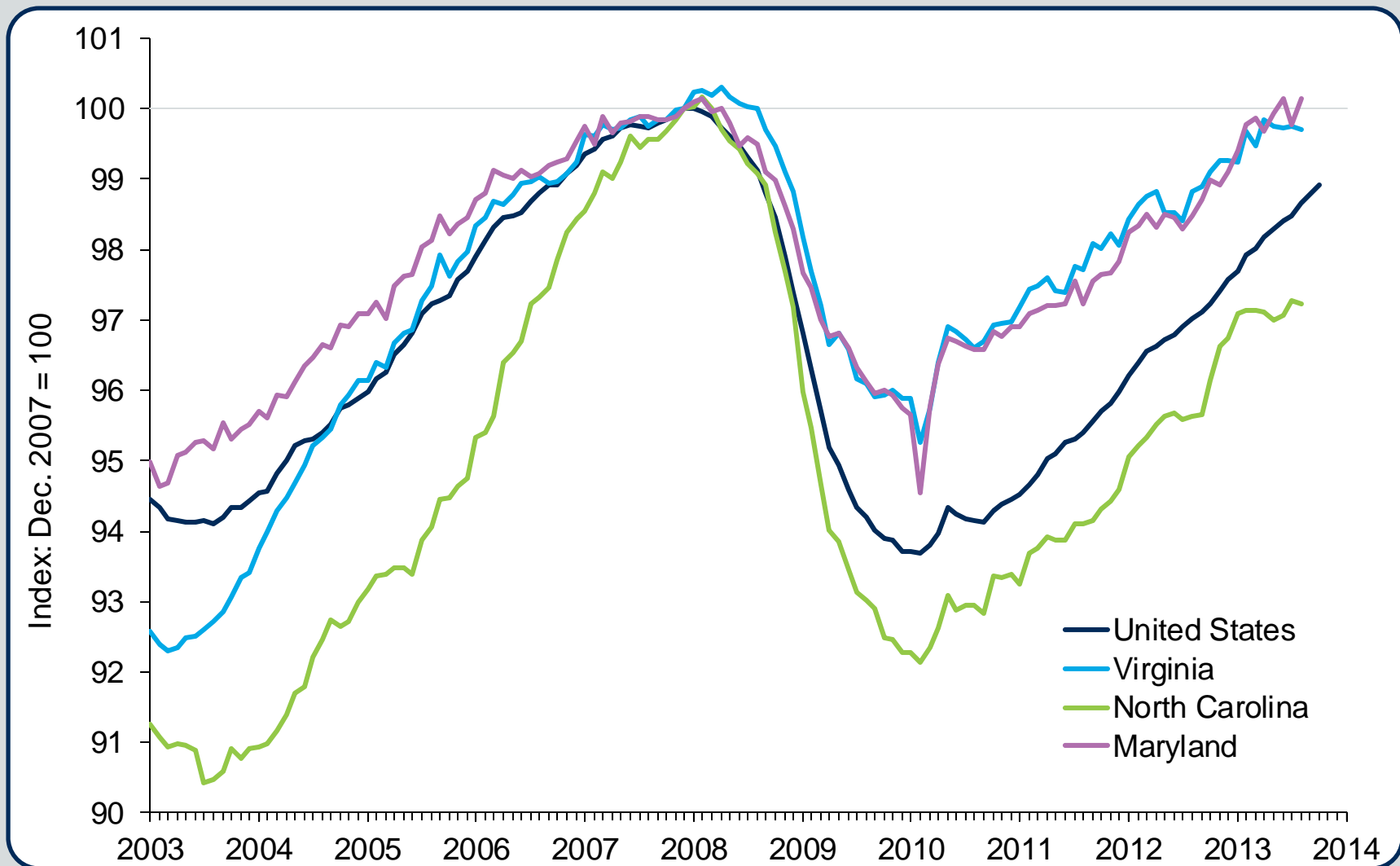
# Virginia Economy

# Virginia Employment Growth

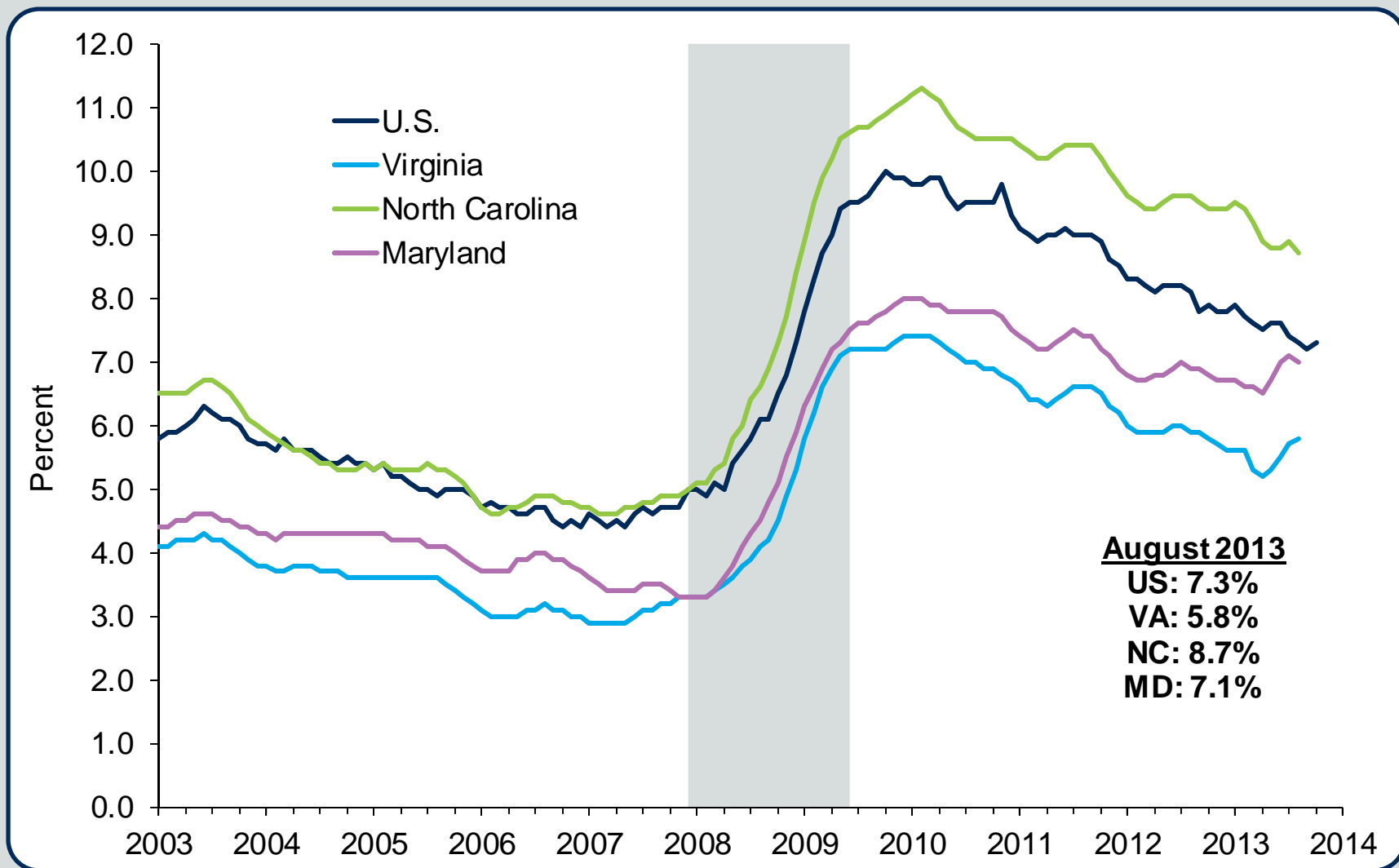




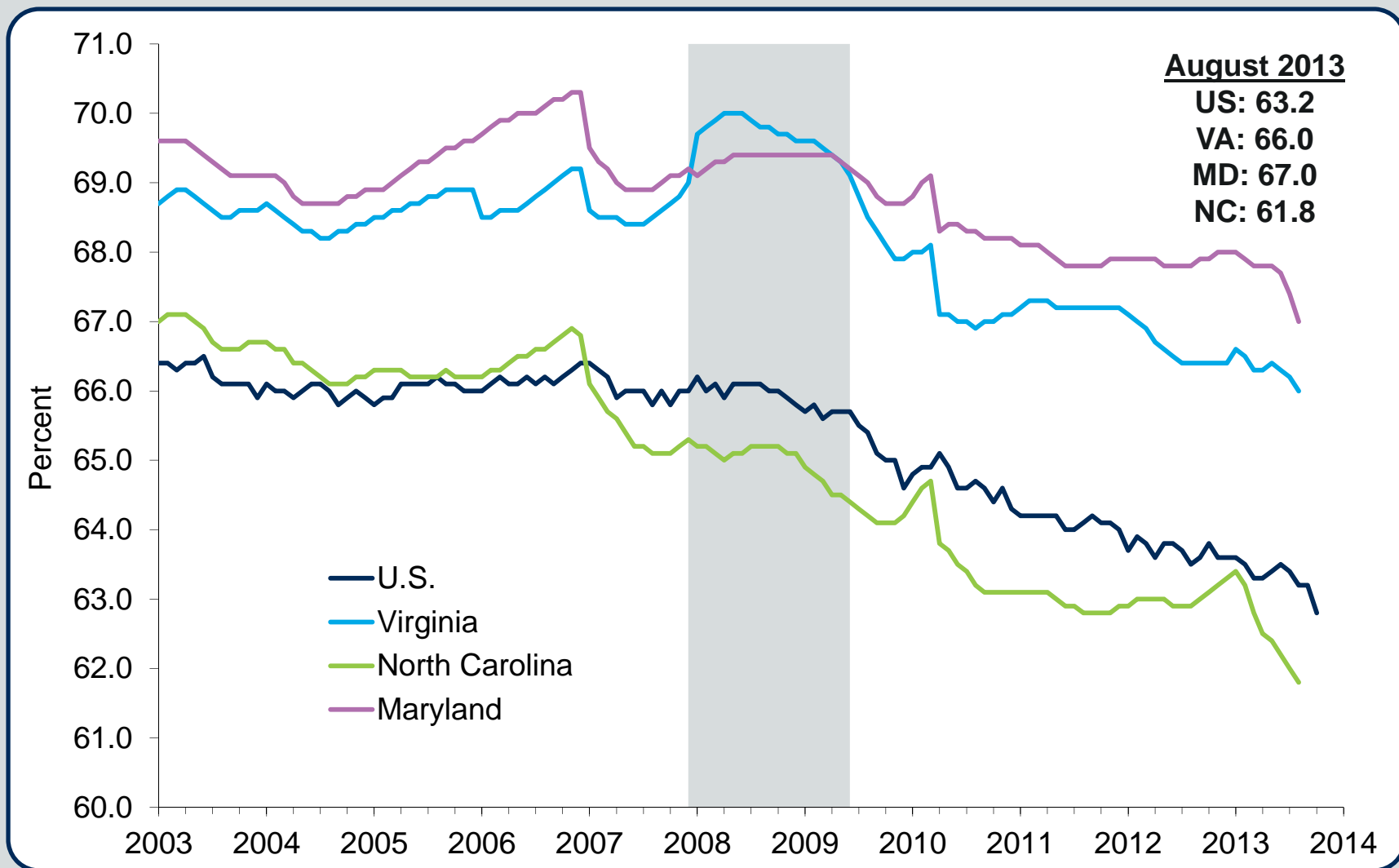
# Total Nonfarm Payroll Employment



# Unemployment Rates

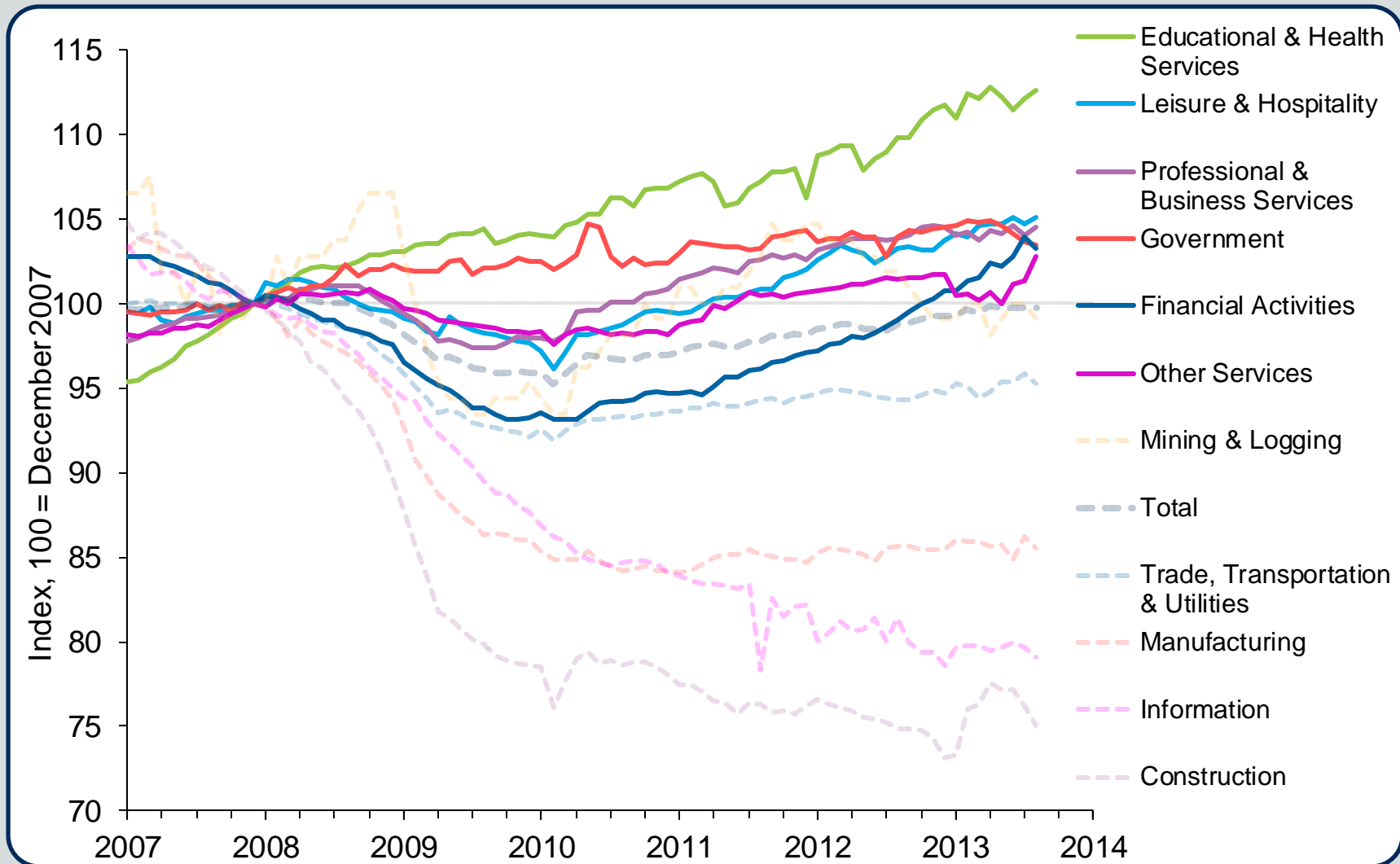


# Labor Force Participation Rate



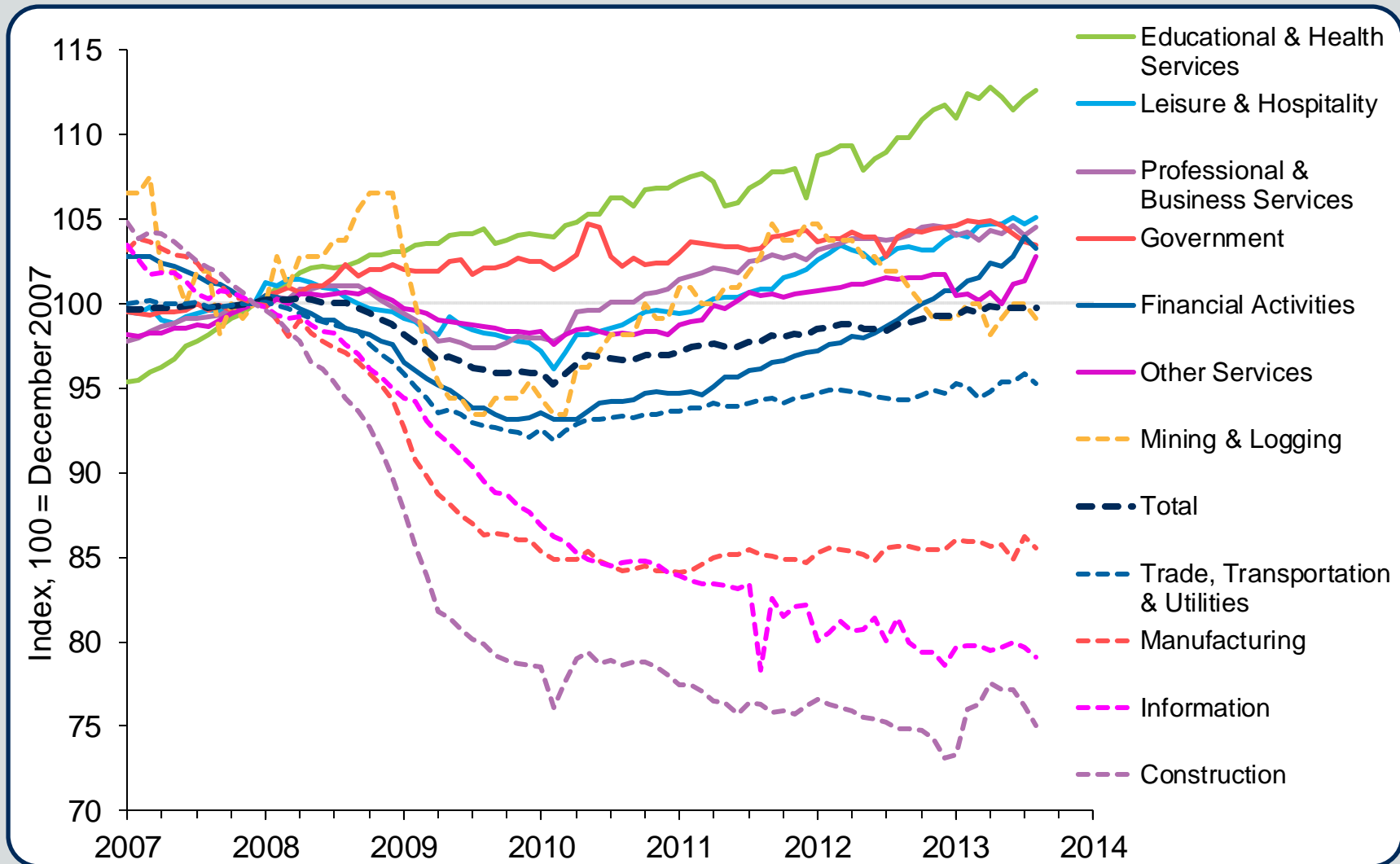
# Virginia Industry Growth Since the Great Recession

## Through August 2013



# Virginia Industry Growth Since the Great Recession

## Through August 2013

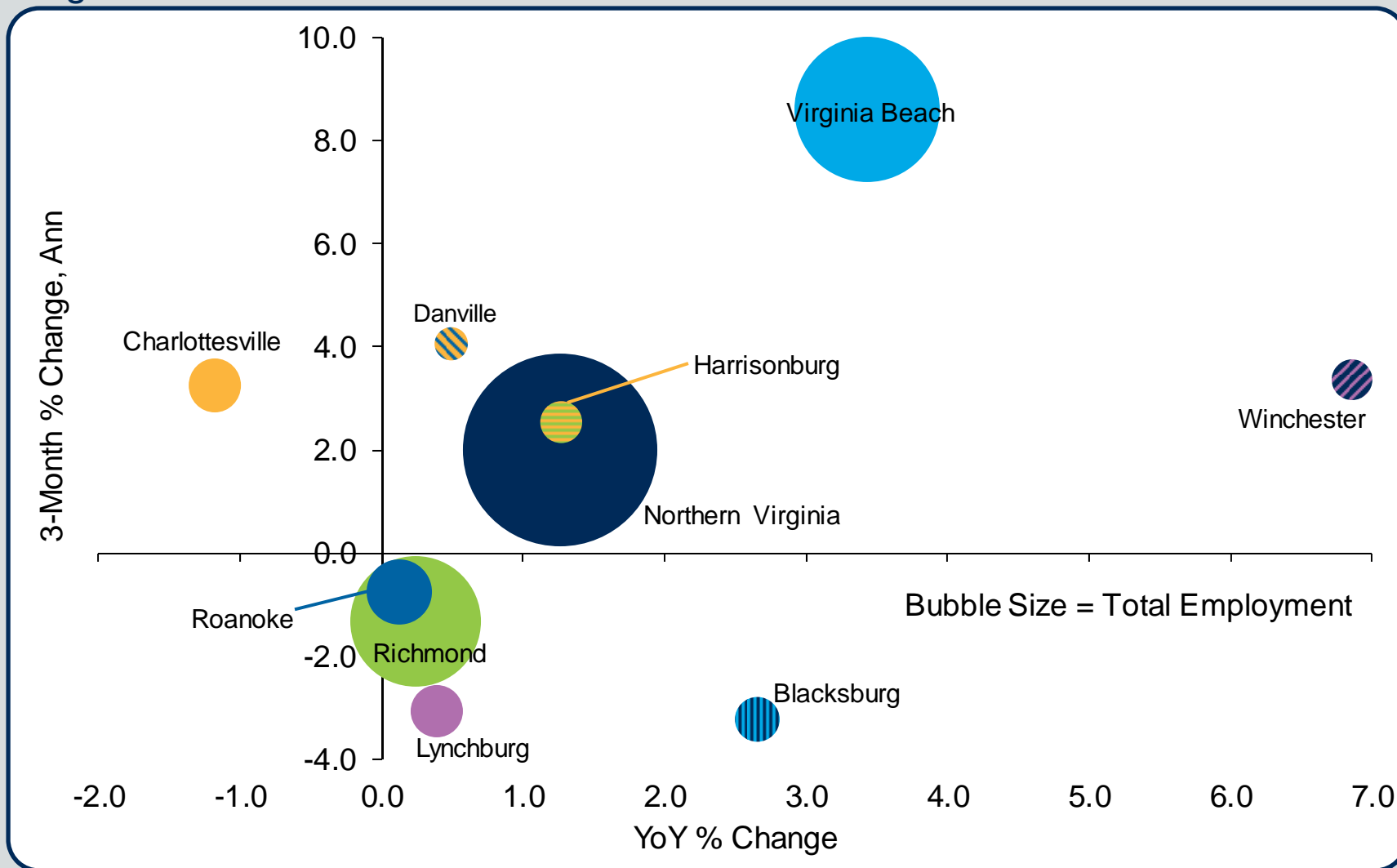


# VA Industry Sectors – High Total Wages

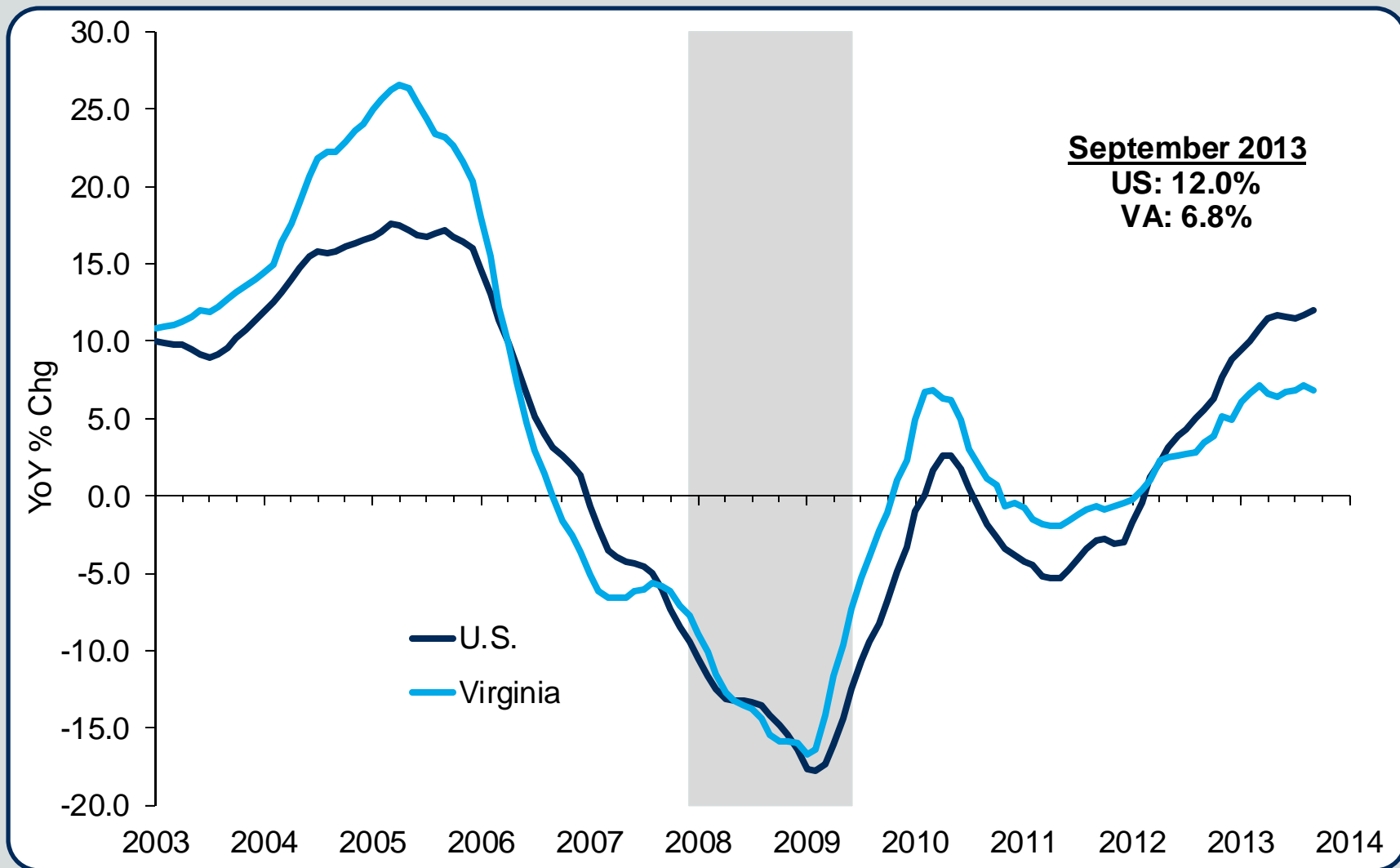
Industry	Employment Share in 2012 (%)	Wage Share in 2012 (%)	Employment Growth from 2012Q1 – 2013Q1	Wage Growth from 2012Q1 – 2013Q1
Construction	4.9	4.5	0.4	0.3
Manufacturing	6.4	6.6	-0.4	0.7
Retail Trade	11.2	5.7	0.2	0.6
Professional & Technical Services	10.9	20.4	0.8	1.4
Administrative & Waste Services	5.7	3.9	2.8	2.0
Educational Services	9.9	7.8	-0.4	1.4
Health Care & Social Assistance	12.3	10.8	2.2	2.5
Accommodation & Food Services	8.6	2.8	2.5	2.2

# Metropolitan Area Growth

August 2013

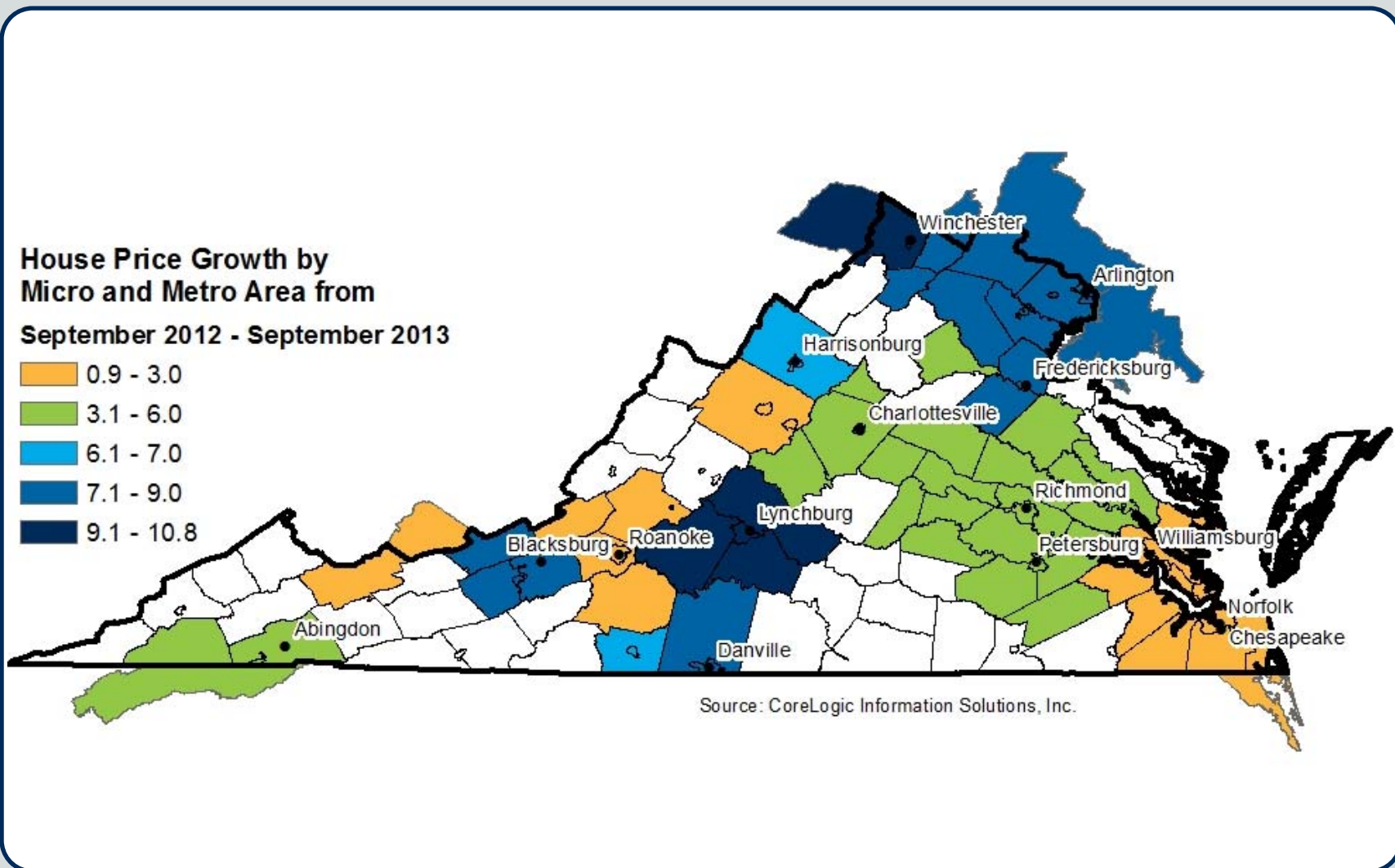


# Virginia House Price Index—CoreLogic HPI

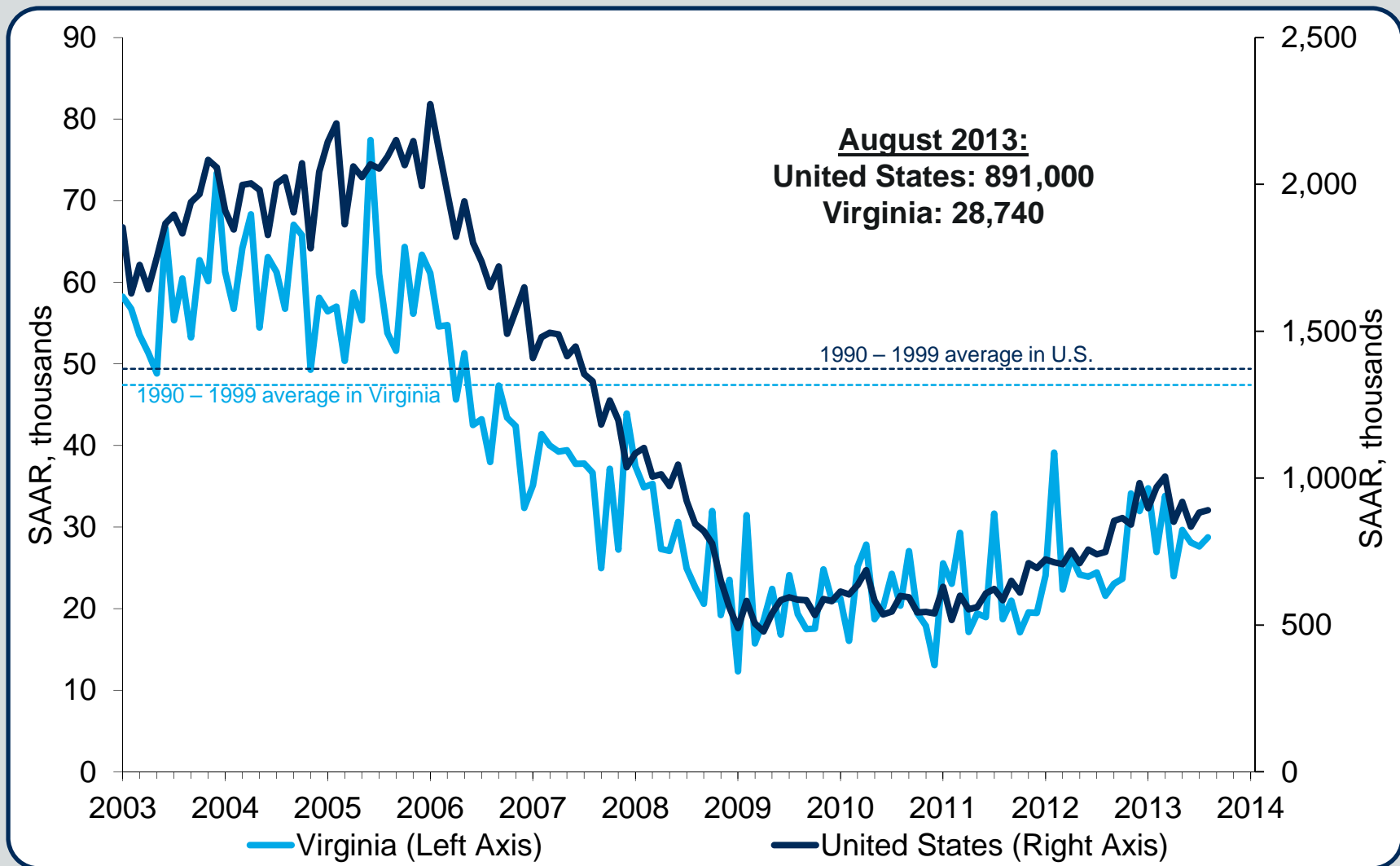




# Metropolitan Area Home Prices



# Virginia Housing Starts



# Challenges and Opportunities Ahead

- Continued moderate growth in GDP
- Labor market improvement but still slowly declining unemployment rate
- Housing market appears to be in a sustained recovery, but its pace has slowed
- Uncertainty weighs on consumer and business confidence:
  - Impact of Affordable Care Act
  - Federal budget and debt ceiling negotiations



The views and opinions expressed herein are those of the author. They do not represent an official position of the Federal Reserve Bank of Richmond or the Federal Reserve System.

***Thank you!***

